

ration contracts with individuals, partnerships, corporations, or other legal entities which shall provide for such Federal financial participation as he deems in the national interest. Such contracts shall contain terms and conditions as the Secretary deems necessary and appropriate, including terms and conditions for the repayment of the Federal funds made available under any contract together with interest thereon, as a royalty on the value of the production from the area described in the contract. Interest shall be calculated from the date of the loan. Such interest shall be at rates which (1) are not less than the rates of interest which the Secretary of the Treasury shall determine the Department of the Interior would have to pay if it borrowed such funds from the Treasury of the United States, taking into consideration current average yields on outstanding marketable obligations of the United States with maturities comparable to the terms of the particular contracts involved and (2) plus 2 per centum per annum in lieu of recovering the cost of administering the particular contracts.

**(b) Deposit of royalty payments**

Royalty payments received under subsection (a) of this section shall be covered into the miscellaneous receipts of the Treasury.

**(c) Certification of exploration projects; payment of royalties; time limitation on payment; royalty agreements**

When in the opinion of the Secretary an analysis and evaluation of the results of the exploration project disclose that mineral production from the area covered by the contract may be possible he shall so certify within the time specified in the contract. Upon certification, payment of royalties shall be a charge against production for the full period specified in the contract or until the obligation has been discharged, but in no event shall such royalty payments continue for a period of more than twenty-five years from the date of contract. When the Secretary determines not to certify he shall promptly notify the contractor. When the Secretary deems it necessary and in the public interest, he may enter into royalty agreements to provide for royalty payments in the same manner as though the project had been certified.

**(d) Production**

No provision of this chapter, nor any rule or regulation which may be issued by the Secretary shall be construed to require any production from the area described in the contract.

**(e) Rules and regulations; adjustment of contracts**

The Secretary shall establish and promulgate such rules and regulations as may be necessary to carry out the purposes of this chapter: *Provided, however,* That he may modify and adjust the terms and conditions of any contract to reduce the amount and term of any royalty payment when he shall determine that such action is necessary and in the public interest: *Provided further,* That no such single contract shall authorize Government participation in excess of \$250,000.

**(f) Availability of funds**

No funds shall be made available under this chapter unless the applicant shall furnish evidence that funds from commercial sources are unavailable on reasonable terms.

(Pub. L. 85-701, § 2, Aug. 21, 1958, 72 Stat. 700.)

**§ 643. "Exploration" defined**

As used in this chapter, the term "exploration" means the search for new or unexplored deposits of minerals, including related development work, within the United States, its Territories and possessions, whether conducted from the surface or underground, using recognized and sound procedures including standard geophysical and geochemical methods for obtaining mineralogical and geological information.

(Pub. L. 85-701, § 3, Aug. 21, 1958, 72 Stat. 701.)

**§ 644. Advice and assistance by Government departments and agencies; expenditure of funds**

Departments and agencies of the Government are authorized to advise and assist the Secretary of the Interior, upon his request, in carrying out the provisions of this chapter and may expend their funds for such purposes, with or without reimbursement, in accordance with such agreements as may be necessary.

(Pub. L. 85-701, § 4, Aug. 21, 1958, 72 Stat. 701.)

**§ 645. Repealed. Pub. L. 93-608, § 1(13), Jan. 2, 1975, 88 Stat. 1969**

Section, Pub. L. 85-701, § 5, Aug. 21, 1958, 72 Stat. 701; Pub. L. 89-348, § 2(5), Nov. 8, 1965, 79 Stat. 1312, required Secretary of the Interior to report to Congress on operations of programs authorized pursuant to this chapter.

**§ 646. Authorization of appropriations**

There are hereby authorized to be appropriated, from any funds in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this chapter.

(Pub. L. 85-701, § 6, Aug. 21, 1958, 72 Stat. 701.)

**CHAPTER 18—COAL RESEARCH AND DEVELOPMENT**

Sec.

- 661. Short title; definitions.
- 662. Powers and duties of Secretary.
- 663, 664. Repealed.
- 665. Sites for conducting research; availability of personnel and facilities.
- 666. Public-availability requirement; national defense; patent agreements.
- 667. Repealed.
- 668. Authorization of appropriations.

**§ 661. Short title; definitions**

(a) This chapter may be cited as the "Coal Research and Development Act of 1960".

(b) In this chapter:

(1) The term "research" means scientific, technical, and economic research and the practical application of that research.

(2) The term "Secretary" means the Secretary of Energy.